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ABSTRACT

Reauthorization of welfare reform legislation has focused attention on the effectiveness of short-term training as a means for welfare recipients to attain self-sufficiency. Its effects on employment and earnings have been one focus of recent evaluations of federal programs. Although some Job Opportunities and Basic Skills programs produced moderate employment and earnings gains for the most disadvantaged sample members, overall, few programs produced large effects. Job Corps participants enjoyed positive employment and earnings benefits that were relatively even across genders and high- and low-risk groups. Similar effects have been found in studies of state and local programs involving short-term training promoting self-sufficiency, among other services: (1) Connecticut's Jobs First evaluation; (2) Job Search Assistance Demonstration of unemployment insurance claimants in the District of Columbia and Florida; (3) the Los Angeles Jobs-First GAIN evaluation; and (4) Parents' Fair Share. Other research has identified characteristics of effective programs, including being targeted to the local labor market and to jobs with relatively high earnings, employment growth, and opportunities for advancement, a mix of academic education, occupational skills training, and work-based learning, and other supportive services. Short-term training programs can increase welfare recipients' employment and earnings, but increases are usually small. (Contains 21 references.) (SK)

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Effectiveness of Short-Term Training for Self-Sufficiency

Reauthorization of welfare reform legislation has once again highlighted the issue of short-term training programs. In particular, attention has been focused on the effectiveness of short-term training as a means for welfare recipients to attain self-sufficiency—that is, the ability to support themselves without receiving welfare or public assistance. This *Digest* reviews the literature on the outcomes of short-term training programs for welfare recipients and the services required to meet the self-sufficiency needs of welfare recipients participating in short-term training.

Employment and Earnings Effects

Short-term job training promoting self-sufficiency is provided in federally sponsored programs such as Job Opportunities and Basic Skills (JOBS) and Job Corps. In addition, short-term training is often provided as one of a menu of services in state or local programs promoting self-sufficiency. Program effects on employment and earnings have been one focus of recent evaluations.

Federal Programs

JOBS. The National Evaluation of Welfare-to-Work Strategies examined the effects of participation in JOBS by recipients of Aid to Families with Dependent Children (AFDC), which preceded the current Temporary Assistance for Needy Families (TANF) (Freedman 2000; Freedman et al. 2000). During 1991-1996, over 44,000 participants at 11 sites were randomly assigned to JOBS employment- or education-focused programs that included mandatory welfare-to-work services, including education and training, or to programs that did not include such mandatory services (although control group participants could seek such services in the community). JOBS programs increased participant earnings above those of the control group, from $300 to $500 per year, with one program yielding a $1,000 increase per year. However, programs had little effect on employment stability, and effects were not delayed, as might have been expected of longer-term skill-building programs. Overall, employment-focused programs produced larger gains in employment and earnings (from $400 to $600 per year, with one program at $900) during a 2-year follow-up period, but results suggested that increases may not be sustained over time; education-focused programs began to show moderate impacts in the second year, which suggested the need to track outcomes of education-focused programs over longer periods of time. Although some programs produced moderate employment and earnings gains for the most disadvantaged sample members, overall, few programs produced large effects.

Job Corps. The National Job Corps Study examined the effects of participation in Job Corps by disadvantaged youth aged 16-24 (Burghardt and Schochet 2001; McConnell and Glazerman 2001; Schochet et al. 2001). During 13 months in 1994-1995, over 80,000 youths who were found eligible for Job Corps nationwide were randomly granted or denied enrollment. Four years after random assignment, Job Corps participants enjoyed positive employment and earnings benefits beginning with their third year and persisting through their fourth year; Job Corps participants earned about $624 more than they would have if not enrolled in Job Corps. Employment and earnings benefits were also relatively even across genders and high- and low-risk groups. Job Corps impacts were similar for all Job Corps centers—contract or civilian conservation centers; large, medium, or small centers; high-, medium,-, or low-performing centers; and in all geographic regions. A cost-benefit analysis concluded that social benefits exceeded program costs by about $17,000 per participant, assuming that observed earnings remained stable as participants age.

State and Local Programs

Similar effects have been found in studies of state and local programs involving short-term training promoting self-sufficiency, among other services, including three randomized studies:

- In Connecticut's Jobs First evaluation (Hendra et al. 2001), several thousand welfare applicants and recipients in two state offices were randomly assigned to Jobs First, which included education and training activities, or to AFDC, which did not. Jobs First had positive impacts on employment rates and average earnings through Years 1 and 2. Employment impacts began to fade at the start of Year 3, and differences in average earnings had disappeared by the end of Year 3. The most impressive employment and earnings gains (12 and 40 percentage points, respectively) were among the most disadvantaged Jobs First recipients (no high school diploma, no recent work experience).

- In the Job Search Assistance Demonstration (Decker et al. 2000), 20,000 unemployment insurance (UI) claimants in the District of Columbia and Florida were randomly assigned to a control group or one of three treatment groups: structured job search assistance (orientation testing, job search workshop, and individual assessment interview); individualized job search assistance (services based on claimants' individual needs); and individualized job search assistance with training (need-based services plus training). Effects on employment and earnings were mixed, although no evidence was found that UI claimants were pushed into low-wage jobs to end UI receipt. Overall, results suggested that none of the three treatment approaches was cost-effective.

- In the Los Angeles Jobs-First GAIN evaluation (Freedman, Mitchell, and Navarro 1999), almost 21,000 single parents and 2-parent household members were randomly assigned to the Jobs-First GAIN program or to a control group that did not receive Jobs-First GAIN services until the end of the first year of program participation. Short-term basic education and vocational classes were provided, but only to a few participants, through Jobs-First GAIN. Jobs-First GAIN participants enjoyed greater increases in employment (11-12 percentage points) and earnings ($1,082-$1,449, or 31-44 percentage points) than control group members, and greater increases than those in the county's previous program, focused on basic education (although smaller than those in two programs in a neighboring county).

- At seven Parents' Fair Share (PFS) sites (Miller and Knox 2001), 5,500 noncustodial parents were randomly assigned to PFS or control groups. Employment and earnings rates increased from about 25 to 33 percent for the least employable PFS participants (no high school diploma, no recent work experience) but not for those more able to find work on their own. However, fewer PFS participants took part in skill-building activities than expected.

Similar findings resulted from evaluations of Alaskan training programs for adults, including those with barriers to employment (Hadland and Landry 2002), the Minnesota Family Investment Program (Miller et al. 2000), Wisconsin Works (W-2) (Stuiber et al. 2001), and sectoral employment programs, which targeted an industry with local employment opportunities for low-wage workers that could be expanded or improved (Zandniapour 2000; Zandniapour and Conway 2001).

Self-Sufficiency

It seems reasonable to conclude, therefore, that short-term training programs can have positive effects on participants' employment and earnings. However, the size of those effects is often moderate. It is difficult to be impressed by increases of $300-$500 or $400-$600 per year (Freedman 2000; Freedman et al. 2000) or $1.72 or $1.80 per hour (Welch 2001; Zandniapour and Conway 2001) or postparticipation wages of $7.70, $8.97, or even $9-$11 per hour (Rademacher et al. 2001; Ream et al. 2001; Welch and Sandler 1999). Indeed, one review of issues in welfare reform that affect community colleges, including the effectiveness of short-term training programs (Grubb et al. 1999), pointed out that repeated evaluations have concluded that intensive, short-term job skills training has had little impact, with earnings increases in the range of $200-$500 per year that typically disappeared after 4-5 years.

Services Required to Meet Participants Needs

Nevertheless, Grubb et al. (1999) concluded that effective short-term training programs for welfare recipients were targeted to the local labor market and to jobs with relatively high earnings, employment growth, and opportunities for advancement; effective programs also contained a mix of academic education, occupational skills training, and work-based learning. Sectoral employment studies (Welch 2001; Zandniapour 2000; Zandniapour and Conway 2001) echoed the focus on the local labor market and desirable jobs. Likewise, a study of the experience of 1.4 million defense industry workers displaced with the ending of the Cold War concluded that worker reemployment programs succeeded when existing employee skills were matched and adapted to identifiable local labor market opportunities (Powers and Markusen 1999). Miles (2000) supplemented that focus with strong participant work and learning services, including hands-on experiences, personal attention, job coaches and developers, and strong support services; integrated job skill and relationship-building training with active learning, high expectations, and work experience; and program accountability.

Conclusion

Short-term training programs can indeed increase welfare recipients' employment and earnings, but increases are usually small; it is difficult to imagine being self-sufficient with an increase in hourly wages from $9.20 to $11 per hour. Ultimately, however, defining self-sufficiency at a specific income level and determining whether short-term training promotes that definition of self-sufficiency are subjective judgments that legislators and policymakers make in light of values in the society they serve.

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